

**OFFICE OF THE UNITED STATES
TRADE REPRESENTATIVE**

[Docket No. WTO/D-88, WTO/D 95]

**WTO Dispute Settlement Proceeding
Regarding the Act Regulating State
Contracts With Companies Doing
Business With or in Burma (Myanmar)
Enacted by the Commonwealth of
Massachusetts on June 25, 1996**

AGENCY: Office of the United States
Trade Representative.

ACTION: Notice; request for comments.

SUMMARY: The Office of the United States Trade Representative (USTR) is providing notice of separate requests for establishment of a dispute settlement panel under the Marrakesh Agreement Establishing the World Trade Organization (WTO), by the European Commission and Japan, to examine the Act Regulating State Contracts with Companies Doing Business with or in Burma (Myanmar) enacted by the Commonwealth of Massachusetts on June 25, 1996. The Massachusetts statute provides a ten percent bid preference on state government procurement contracts to firms (U.S. or foreign) not doing business with or in Burma. In this dispute, both the European Commission and Japan allege that the Massachusetts statute is inconsistent with obligations of the United States under the Agreement on Government Procurement (GPA). USTR invites written comments from the public concerning the issues raised in this dispute.

DATES: Although the USTR will accept any comments received during the course of the dispute settlement proceedings, comments should be submitted by October 31, 1998, to be assured of timely consideration by USTR in preparing its first written submission to the panel.

ADDRESSES: Comments may be submitted to the Monitoring and Enforcement Unit, Office of the General Counsel, Attn: Massachusetts Burma Dispute, Office of the United States Trade Representative, 600 17th Street, N.W., Washington, D.C., 20508, (202) 395-3582

FOR FURTHER INFORMATION CONTACT: John Ellis, Office of WTO and Multilateral Affairs (202) 395-3063 or Rhonda K. Schnare, Assistant General Counsel, (202) 395-3582.

SUPPLEMENTARY INFORMATION: Pursuant to section 127(b) of the Uruguay Round Agreements Act (URAA) (19 U.S.C. 3537(b)(1)), USTR is providing notice that on September 8, 1998, the European Commission and Japan submitted

separate requests for the establishment of a WTO dispute settlement panel to examine whether a Massachusetts law affecting state government procurement contracts is inconsistent with United States obligations under the Agreement on Government Procurement (GPA). This law requires all Massachusetts state agencies, when awarding government procurement contracts, to impose a ten percent price preference in favor of companies not doing business with or in Burma.

**Major Issues Raised by the European
Commission and Japan and Legal Basis
of Complaints**

The European Commission states that the law does not provide treatment no less favorable than that accorded to domestic services and suppliers and that it improperly limits access of EC suppliers to procurement by a sub-federal authority covered by the GPA. Specifically, the EC alleges that the statute is inconsistent with the obligations of the U.S. under Articles III, VIII(b), XIII:4(b) and XXII:2 of the GPA.

Japan contends that the Massachusetts statute improperly treats a locally established supplier less favorably than another locally established supplier on the basis of the degree of foreign affiliation or ownership and imposes conditions which are not essential to a firm's capability to fulfill the contract. Specifically, Japan alleges that the law is inconsistent with the obligations of the U.S. under Articles III:1 and III:2, VIII(b), and XIII:4(b) of the GPA.

**Public Comment: Requirements for
Submissions**

Interested persons are invited to submit written comments concerning the issues raised in the dispute. Comments must be in English and provided in fifteen copies. A person requesting that information contained in a comment submitted by that person be treated as confidential business information must certify that such information is business confidential and would not customarily be released to the public by the commentator. Confidential business information must be clearly marked "BUSINESS CONFIDENTIAL" in a contrasting color ink at the top of each page of each copy.

Information or advice contained in a comment submitted, other than business confidential information may be determined by USTR to be confidential in accordance with section 135(g)(2) of the Trade Act of 1974 (19 U.S.C. 2155(g)(2)). If the submitted believes that information or advice may qualify as such, the submitter—

(1) Must do designate the information or advice;

(2) Must clearly mark the material as "SUBMITTED ON CONFIDENCE" in a contrasting color ink at the top of each page of each copy, and

(3) Is encouraged to provide a non-confidential summary of the information or advice. Pursuant to section 127(e) of the URAA (19 U.S.C. 3537(e)), USTR will maintain a file on this dispute settlement proceeding, accessible to the public, in the USTR Reading Room: Room 101, Office of the United States Trade Representative, 600 17th Street, NW., Washington, DC 20508. The public file will include a listing of any comments received by USTR from the public with respect to the proceeding; the U.S. submissions to the panel in the proceeding, the submissions, or non-confidential summaries of submissions, to the panel received from other participants in the dispute, as well as the report of the dispute settlement panel, and, if applicable, the report of the Appellate Body. An appointment to review the public file (Docket WTO/D-88, WTO/D 95) Massachusetts Burma Dispute) may be made by calling Brenda Webb, (202) 395-6186. The USTR Reading Room is open to the public from 9:30 a.m. to 12 noon and 1 p.m. to 4 p.m., Monday through Friday.

Amelia Porges,

Senior Counsel for Dispute Settlement.

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DEPARTMENT OF TRANSPORTATION
Federal Aviation Administration
**Approval of Noise Compatibility
Program, Terre Haute International
Airport-Hulman Field, Terre Haute, IN**

AGENCY: Federal Aviation
Administration, DOT.

ACTION: Notice.

SUMMARY: The Federal Aviation Administration (FAA) announces its findings on the noise compatibility program submitted by the Terre Haute International Airport Authority under the provisions of Title I of the Aviation Safety and Noise Abatement Act of 1979 (Pub. L. 96-193) and 14 CFR Part 150. These findings are made in recognition of the description of Federal and nonfederal responsibilities in Senate Report No. 96-52 (1980). On February 20, 1998, the FAA determined that the noise exposure maps submitted by the Terre Haute International Airport Authority under Part 150 were in